



PUBLIC EMPLOYEE RETIREMENT SYSTEMS OF IDAHO
607 North 8th Street, Boise, Idaho 83702

MINUTES OF MEETINGS OF RETIREMENT BOARD

The Board of the Public Employee Retirement System of Idaho met in-person at 2:00 p.m., May 15, 2023. The following Trustees were present:

Jeff Cilek
Joy Fisher
Celia Gould
Darin DeAngeli
Park Price

Executive Director Don Drum, Deputy Director Michael Hampton, Deputy Attorney General Cheryl George, Chief Investment Officer Richelle Sugiyama, and Management Assistant Eliza Storms were also in attendance.

In attendance in-person or via zoom were:

Governor Brad Little
John Garrett Cavanaugh Macdonald

Jamie Neill Governor's Office
Aaron Chochon Cavanaugh Macdonald

At 2:04 p.m., Chairman Cilek called the meeting to order.

DEPUTY DIRECTOR

Review of Governance Policies and Schedule

Deputy Hampton reviewed the updated 2023 PERSI Governance Policy Manual schedule and discussed the Board Governance policies, Section I SS 3 (Trustee Responsibilities) and SS 4 (Board Chair Responsibilities) and recommended adoption as presented.

Deputy Hampton also informed the Board of an edit to the schedule. Section 3 SS 25 Choice Plan Policy Statement will be moved to a five-year schedule versus a three-year schedule.

Trustee Fisher moved to adopt Section 1, SS 3 and SS 4 as presented with minor changes to the Trustee Responsibilities section. Trustee Price seconded the motion, which passed unanimously.

Securities Litigations Policy Update

Deputy Hampton provided an update on the progress on the Securities Litigation Policy that has been reviewed with Trustee DeAngeli. He explained there is a draft being worked on with Trustee DeAngeli. Trustee DeAngeli stated he has reviewed it and thinks it is at a point where they can sit down and have a meeting. Staff will coordinate with Trustee DeAngeli for a future meeting.

CEC Update

Deputy Hampton provided a high-level review of what is in the CEC proposal and status.

Deputy Hampton and the Board discussed early implementation and he explained it may be the last year PERSI may be able to provide early implementation.

Director Drum stated both he and Deputy Hampton will work on getting additional information for the Board regarding budget request for the next budget cycle.

Luma Status Update

Deputy Hampton updated the Board on the status of Luma and the impact on PERSI. He informed the Board that PERSI staff has started training and testing, attending weekly meetings, and provided go-live and cut-off dates.

Legislation Proposal

Director Drum presented, reviewed, and discussed a variety of possible legislative items that PERSI may need or want to present during next year's legislative session.

Deputy Attorney General, Cheryl George, provided a quick explanation on the proposed legislative idea addressing a section in Idaho Code § 59-1316 to protect confidential information regarding from subpoenas not issued by the courts.

Director Drum will present the possible final draft of the legislative ideas in the July meeting.

Actuarial Assessment of S.B.1054

Director Drum provided a brief overview of the actuarial assessment of S.B.1054. He introduced and turned the discussion over to Aaron Chochon and John Garrett with Cavanaugh Macdonald (CavMac) to present.

Mr. Garrett provided background information regarding assumptions used in actuarial valuations, which include complex estimates of projected future benefit payments to current plan participants and that actuaries are required to use reasonable assumptions about the future economic and demographic experience of the System. He explained it can take three to five years of emerging experience to have sufficient data to refine an assumption.

Mr. Chochon provided an overview the changes S.B 1054 made. He explained the range of possible change in behavior impact S.B. 1054 could have on the plan, and provided impact to normal cost ranges if there was no change, moderate change, and maximum change to retirement behavior.

Director Drum reiterated the changes to retirement behavior that did occur due to return-to-work legislation for teachers.

Governor Brad Little

Governor Brad Little stopped by the Board meeting and to thank Trustee Gould for all her years of public service to the State of Idaho.


Executive Session: At 3:58 p.m. Chairman Cilek stated the Board intended to move to executive session in accordance with Idaho Code §74-206(1)(a) and (b).

Trustee Gould moved to enter executive session in accordance with Idaho Code §74-206(1)(a) to consider hiring a public officer, employee, staff member or individual agent and Idaho Code §74-206(1)(b) to consider the evaluation, dismissal or disciplining of, or to hear complaints or charges brought against, a public officer, employee, staff member or individual agent. Trustee Price seconded the motion and the Board voted unanimously via roll call vote.

Upon conclusion of the executive session, Trustee Gould moved to return to regular session. Trustee Price seconded the motion, which passed unanimously.


Regular Session: The Board returned to regular session at 5:25 p.m. No decisions were made.

Adjournment: There being no further business to come before the Board, the meeting adjourned at 5:26 p.m.



Don Drum
Executive Director

7-21-23
Date



Jeff Cilek
Chairman

7-18-23
Date